



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2011 Biennium

Bill #	SB0216	Title:	Revise laws on school district interlocal agreements and on calculating ANB
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Primary Sponsor:	Laslovich, Jesse	Status:	As Amended in Senate Committee
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|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
Expenditures:				
General Fund	\$0	\$43,545	\$43,545	\$43,545
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance	<u>\$0</u>	<u>(\$43,545)</u>	<u>(\$43,545)</u>	<u>(\$43,545)</u>

Description of fiscal impact: SB 216, as amended, increases state support for school district general fund budgets by \$43,545 in the 2011 biennium for school districts having an interlocal agreement with the Montana Youth Challenge Program to provide educational or vocational services to a student who is a resident of the district. The ongoing cost is \$43,500 annually.

FISCAL ANALYSIS

Assumptions:

- Under current law, the average number belonging used to determine the general fund budgets for K-12 public schools will be as follows:

	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
K-6 ANB	77,753	77,541	77,951	79,887	80,769
7-8 ANB	23,353	22,832	22,531	22,448	22,394
9-12 ANB	<u>48,642</u>	<u>47,673</u>	<u>46,734</u>	<u>45,889</u>	<u>44,971</u>
	149,748	148,046	147,216	148,224	148,134

2. The Office of Public Instruction projects an increase of 11 additional ANB resulting from the passage of SB 216. This projection is based on an estimated 20 students enrolled in a public high school and attending Montana Youth Challenge Program each semester. Participants in the program will be calculated as half-time enrolled, for ANB purposes. The students enrolled in FY 2010 will generate ANB funding for FY 2011.
3. The additional ANB are projected to be in grades 9-12 and to generate ANB funding at the high school per-ANB rate of \$6,405 in FY 2011 and beyond. The state share of the funding is estimated to be about 62%.

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Local Assistance	\$0	\$43,545	\$43,545	\$43,545
<u>Funding of Expenditures:</u>				
General Fund (01)	\$0	\$43,545	\$43,545	\$43,545
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	\$0	(\$43,545)	(\$43,545)	(\$43,545)

Technical Notes:

1. SB 216 does not include an effective date. It is assumed to be effective on October 1, 2009. School districts would begin reporting the enrollment of resident students attending the Montana Youth Challenge Program in the fall of 2009. These enrollments will drive ANB calculations and state funding for FY 2011.

*Sponsor's Initials*_____
*Date*_____
*Budget Director's Initials*_____
Date